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UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

HANLEY-WOOD, LLC. a Delaware limited liability company, Plaintiff, v. THE RYNESS COMPANY, a California corporation, Defendant.	Case No. 08 CV 0186 DMS WMc **STIPULATED JUDGMENT AND ORDER**

FINDINGS

1. This Court has jurisdiction over the subject matter and the parties pursuant to 28 U.S.C. § 1332(a)(1).

2. Venue in this matter is proper pursuant to 28 U.S.C. § 1391(a)(1) in that the only defendant in this action, Ryness, resides in the Southern District of California.

3. The Complaint states a claim (breach of contract), upon which relief can be granted against Ryness.

4. On January 30, 2008, Hanley Wood LLC ("Hanley Wood") commenced this action (the "Action") by filing a Complaint herein against The Ryness Company ("Ryness"). The Complaint alleges that Ryness had failed to make certain payments that were due and owing under a Proprietary Information and License Agreement, dated as of January 20, 2006 (the "License Agreement").

5. On April 8, 2008, the parties entered into a settlement agreement (the "Settlement Agreement"), whereby Ryness agreed to pay Hanley Wood $540,000, including reimbursement of Hanley wood's legal fees, in settlement of Hanley Wood's claims. Pursuant to the terms of the Settlement Agreement, Ryness is required to pay $165,000 to Hanley Wood upon signing of the Settlement Agreement, with the remaining balance of $375,000 (the "Settlement Balance") to be paid in 12 equal quarterly payments of $31,250 each, beginning on August 15, 2008 and continuing each November 15, February 15 and May 15 until the Settlement Balance is paid in full.

6. Pursuant to the terms of the Settlement Agreement, the parties agreed that, upon the occurrence of an Event of Default (as defined in the Settlement Agreement), judgment shall be entered without further notice against Ryness and in favor of Hanley Wood for the unpaid Settlement Balance.

7. Ryness stipulated to entry of this Judgment freely and without coercion, and was represented by independent counsel in the negotiation of this Judgment.

8. As part of the parties' stipulation, Ryness waived all rights to appeal or otherwise challenge or contest the validity of this Judgment.

JUDGMENT

IT IS ORDERED, ADJUDGED AND DECREED that:

1. Judgment in the amount of $_________________ is hereby entered against Ryness and in favor of Hanley Wood, together with interest thereon as provided by law.

2. This Judgment shall take effect immediately upon entry on the civil docket. The clerk is ordered to enter this Judgment forthwith.

3. Payment of the Judgment shall be made within five (5) days of entry on the civil docket.

4. In the event that the Judgment is not paid within five (5) days upon entry, Ryness is authorized to pursue any and all lawful means of collection, with or without further authorization from the Court, until the Judgment is fully satisfied.

5. The Court shall retain jurisdiction over this matter to enter such further orders as may be necessary or appropriate for the interpretation or of this Judgment, or for the enforcement of compliance therewith.

SO ORDERED:

DATED: ___________________ By:_________________________________

JUDGE DANA M. SABRAWOF
UNITED STATES DISTRICT
COURT FOR THE SOUTHERN
DISTRICT OF CALIFORNIA